

## Claims

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1. A method of tracking taxes due on a transaction comprising the steps of:
    - transferring a summary of the transaction from a
    - 5 seller of the transaction to a secure database;
    - transferring a summary of the transaction from a
    - buyer of the transaction to the secure database;
    - identifying a subject matter of the transaction;
    - determining a local of the buyer and the seller to
    - 10 the transaction; and
    - calculating a tax due based upon the identified
    - subject matter and determined local of the buyer and
    - seller.
  - 15 2. The method of tracking taxes as in claim 1 wherein the step of transferring the summary further comprises coupling the summary to the third party through an Internet connection.
  - 20 3. The method of tracking taxes as in claim 1 further comprising including an identifier of the buyer and seller in the summary transferred from the buyer.
  4. The method of tracking taxes as in claim 3 further
  - 25 comprising including an identifier of the buyer and seller in the summary transferred from the seller.
  5. The method of tracking taxes as in claim 4 further comprising correlating the summary transferred from the
  - 30 buyer with the summary transferred from the seller.
  6. The method of tracking taxes as in claim 1 further comprising including a zip code of the seller in the summary transferred from the seller.

7. The method of tracking taxes as in claim 6 further comprising including a zip code of the buyer in the summary transferred from the buyer.

5 8. The method of tracking taxes as in claim 7 wherein the step of determining a local and the seller further comprises correlating the zip code of the buyer and the zip code of the seller to respective locals through a look-up table.

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9. The method of tracking taxes as in claim 1 further comprising forwarding from the third party to the seller a quarterly summary of calculated taxes due from the seller.

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10. An apparatus for tracking taxes due on a transaction, such apparatus comprising:

means for transferring a summary of the transaction from a seller of the transaction to a database of a  
20 third party;

means for transferring a summary of the transaction from a buyer of the transaction to the database of the third party;

25 means for identifying a subject matter of the transaction;

means for determining a local of the buyer and the seller to the transaction; and

30 means for calculating a tax due based upon the identified subject matter and determined local of the buyer and seller.

11. The apparatus for tracking taxes as in claim 10 wherein the means for transferring the summary further

comprises means for coupling the summary to the third party through an Internet connection.

12. The apparatus for tracking taxes as in claim 10  
5 further comprising means for including an identifier of the buyer and seller in the summary transferred from the buyer.

13. The apparatus for tracking taxes as in claim 12  
10 further comprising means for including an identifier of the buyer and seller in the summary transferred from the seller.

14. The apparatus for tracking taxes as in claim 13  
15 further comprising means for correlating the summary transferred from the buyer with the summary transferred from the seller.

15. The apparatus for tracking taxes as in claim 10  
20 further comprising means for including a zip code of the seller in the summary transferred from the seller.

16. The apparatus for tracking taxes as in claim 15  
25 further comprising means for including a zip code of the buyer in the summary transferred from the buyer.

17. The apparatus for tracking taxes as in claim 16  
wherein the means for determining a local of the buyer and the seller further comprises means for correlating  
30 the zip code of the buyer and the zip code of the seller to respective locals through a look-up table.

18. The apparatus for tracking taxes as in claim 10  
further comprising means for forwarding from the third

party to the seller a quarterly summary of calculated taxes due from the seller.

19. An apparatus for tracking taxes due on a  
5 transaction, such apparatus comprising:

a seller communication processor adapted to transfer a summary of the transaction from a seller of the transaction to a database of a third party;

a buyer communication processor adapted to transfer  
10 a summary of the transaction from a buyer of the transaction to the database of the third party;

a subject matter database adapted to identify a subject matter of the transaction;

an address database adapted to determine a local of  
15 the buyer and the seller to the transaction; and

a tax processor adapted to calculate a tax due based upon the identified subject matter and determined local of the buyer and seller.

20. The apparatus for tracking taxes as in claim 19  
20 wherein the buyer and seller communication processor further comprise an Internet connection.

21. The apparatus for tracking taxes as in claim 19 further comprising a buyer transmission summary format  
25 adapted to include an identifier of the buyer and seller in the summary transferred from the buyer.

22. The apparatus for tracking taxes as in claim 21 further comprising seller transmission summary format  
30 adapted to include an identifier of the buyer and seller in the summary transferred from the seller.

23. The apparatus for tracking taxes as in claim 22 further comprising a correlation processor adapted to

correlate the summary transferred from the buyer with the summary transferred from the seller.

24. The apparatus for tracking taxes as in claim 21  
5 wherein the seller transmission summary format further comprises a zip code of the seller.

25. The apparatus for tracking taxes as in claim 22  
10 wherein the buyer transmission summary format further comprising a zip code of the buyer.

26. The apparatus for tracking taxes as in claim 25  
15 wherein the address database further comprises a zip code cross reference adapted to correlate the zip code of the buyer and the zip code of the seller to respective locals.

27. The apparatus for tracking taxes as in claim 10  
20 further comprising a summary processor adapted to forward from the third party to the seller a quarterly summary of calculated taxes due from the seller.